



**MINUTES
CITY COUNCIL MEETING
November 15, 2022**

CALL TO ORDER

The meeting was called to order at 6:30pm.

Present: Mayor: Charlie Miner; Council: Deirdre Kvale, Mike Feldmann, and Gina Joyce

Staff Present: City Administrator: Scott Weske; Fire Chief: James Van Eyll; City Engineer: Brad Reifsteck; and City Clerk: Jeanette Moeller

Absent: Council: Jahn Dyvik (with prior notice)

PLEDGE OF ALLEGIANCE

MAYOR'S COMMENTS – LONG LAKE NEWS, MEETING REVIEW AND UPDATES

Mayor Miner offered the following comments and updates:

Prior to the regular meeting, the Council had met in a Work Session to discuss Fire Department matters, and had met as the Long Lake Canvassing Board in order to certify the City's General Election results. He expressed his appreciation to City Clerk Moeller, City staff, and the election judges for working hard to make sure everything worked smoothly for the election; and congratulated Council members Kvale and Dyvik on their reelection to the Council.

Mayor Miner encouraged residents to decorate and light up their homes for the upcoming 2022 Holiday Home Decorating Contest. Prizes from local businesses will be awarded to contest winners.

He also advised the viewing public that on November 17, 2022, the City will host an Open House regarding the future of fire services for the City at Calvin Presbyterian Church beginning at 6:30 pm.

APPROVE AGENDA

A motion was made by Feldmann, seconded by Joyce, to approve the agenda as presented. Ayes: all.

CONSENT AGENDA

The Consent Agenda consisted of:

- A. Approve Minutes of November 1, 2022 City Council Work Session Meeting
- B. Approve Minutes of November 1, 2022 City Council Regular Meeting
- C. Approve Vendor Claims and Payroll

A motion was made by Kvale, seconded by Miner, to approve the Consent Agenda, as presented. Ayes: all.

OPEN CORRESPONDENCE

Bryan Miller, 295 Lakeview Avenue – Mr. Miller thanked City staff for their work on the elections. He noted that he had been the winner of the 2018 Holiday Decorating Contest, and expressed his appreciation to the Council for the great work they are doing on behalf of the City.

BUSINESS ITEMS

Approve Professional Services Agreement (PSA) for the 2023 Pavement Management Improvement Project

City Engineer Reifsteck reminded the Council that earlier in the year they had adopted an updated five-year Pavement Management Plan (PMP) and gave a brief overview of the proposed improvement projects for 2023 to include mill and overlay for Lake Street and Mill Street, and parking lot improvements at Nelson Lakeside Park. He stated that he had met with Public Works Director Diercks the previous week at the project area and reviewed a few of the issues that they would like addressed. He explained that the 2023 project cost is currently estimated at \$264,911, and the proposed Professional Services Agreement (PSA) cost at \$45,781 represents approximately 17% of the project cost.

Council member Kvale questioned if it was typical for the construction services agreement to be about 17% of the total cost.

Reifsteck confirmed that it was typical and noted that for the 2022 project, he believed the engineering services cost was between 16-17%.

Council member Feldmann asked how much was currently in the Pavement Management Fund.

City Administrator Weske responded that he had forgotten to double check the fund balance prior to the meeting, but believed it is somewhere between \$315,000 and \$400,000 at this time.

Council member Kvale recalled that at a past meeting, she had brought up the fact that the contractor for the 2022 project had damaged some of the pavement with their blade on Watertown Road and asked if that had been fixed.

Reifsteck replied that the damages have not yet been repaired, but the contractor is aware of the issue and it is included on their punch list for completion.

Council member Joyce inquired whether the estimated project amount would change because Aava Vetta has already done some of the work on Symes Street.

Reifsteck explained that what the City is looking at doing is a mill and overlay, and the total project cost for Symes Street should be less than what was shown on the project estimate breakdown. He noted that he could make those adjustments if the Council would like.

City Clerk Moeller mentioned that ultimately, the project will go out for bid, and the Council would then need to approve those numbers.

Reifsteck clarified that if the Council approves the PSA tonight, then WSB would get the plans and specifications ready for approval in January that will include the cost estimates, in order to go out for bids following plan and specification approval.

The Council discussed the importance of timing with portions of the project, such as conflicts with seasonal public launch use, and the Buckhorn Days event.

Council member Kvale asked if the project could be completed in the fall in order to avoid some of the issues being discussed.

Reifsteck confirmed that they could do the work in the fall.

Weske commented that the City should put the project out to bid while companies are looking for work, but the completion date could be left open so there is some flexibility. That may increase the favorability of the bids as well because then contractors can schedule the work within their other job schedules.

A motion was made by Kvale, seconded by Miner, to approve the Professional Services Agreement with WSB for the 2023 Pavement Management Improvement Project, with the stipulation that they use their time judiciously. Ayes: all.

Consider Change to Monthly Utility Billing and Implementation of New Utility Rates and Service Charges for 2023

Weske recalled that this item is a follow up to a discussion the Council had this past summer about the idea of changing from quarterly billing to monthly billing for utilities. He reviewed some of the benefits staff felt there would be from moving to a monthly billing schedule; and discussed proposed billing rate changes particularly in the area of sewer charges, to include creation of a Fund 605-MCES Sewer Treatment. He noted that in 2023, it is expected that the Sewer Fund will lose \$75,000 if the City elects to do nothing. He reviewed the cash position of the City with and without proposed rate increases; and explained that the Water Fund has a pretty healthy balance, though it is estimated to lose \$1,700 in 2023 if no changes are made. He gave a brief overview of the proposed changes to the surface water management rates and the recycling service charge. He answered questions from the Council and discussed how depreciation had been calculated within the information he'd provided for Council's consideration.

Council member Joyce asked about the total amount per month that residents could expect their bills to change if the Council were to approve what has been suggested by staff. She observed that it appeared it would be about a \$17 to \$26 per month increase.

Weske added that the issue would always come back to volume because there is a base rate but then also rates for higher users. He reviewed the low users, average users, and the high users in the City and noted that there would be a scalable difference based on use.

Council member Kvale noted that she thinks this issue may be something that the Council wants to table until the Council has more time to dig into the numbers a bit more, and voiced concern that the proposal felt rushed.

Weske explained that the reason that the rate proposal looks as challenging as it does is because action to address utility rates and losses has been delayed for so long. He reflected that in reality, the City needs to stop talking about Grand Avenue improvements if they are not going to talk about the rates.

Council member Kvale suggested bringing the matter back to a December meeting.

From a timing perspective, Moeller noted that the Council is charged with the responsibility for setting water and sewer rates by City Code. The Council adopts utility rate changes by resolution for inclusion in the annual fee schedule ordinance, and if a resolution approving rates were to be an action item at the December 6, 2022 meeting, they could then incorporate rate changes in the updated fee schedule at the second meeting in December.

Council member Joyce reiterated that she would just like to see what the overall increase would be for the residents.

Council member Kvale stated that she too would like to see calculations that show how the proposed rate changes would actually hit the consumers with moving from quarterly to monthly.

Council member Feldmann commented that he did not want the residents to think that the Council was trying to sneak an increase through. He believed there would be a lot of benefits to moving to monthly billing, but he would want to make sure that Council and residents are clear about the increase. He asked if the Council waited to take action until the first meeting in December, whether that would give them time to implement these proposed changes by January.

Weske confirmed that the Council could wait to take action on this item until December.

Mayor Miner asked how this rate increase would be communicated to residents and noted that he would like to do it ahead of time before they get their first bill.

Moeller replied that if the Council adopts the resolution in December, that would be the soonest that the City would be able to start getting the word out.

Mayor Miner suggested some sort of staggered approach to the rate increases rather than moving to monthly billing and raising the rates all at the same time.

Council member Joyce voiced that she thinks the entire Council is in support of moving to monthly billing. She clarified that she was in favor of an increase, but reiterated that she just needs to understand what that increase will actually look like for residents.

Weske ran through some examples of what fees would be with the existing fee schedule versus under the proposed schedule.

Council member Feldmann pointed out that he thinks the entire Council realizes that there is currently an unsustainable situation that needs to be fixed, but that the Council needs to see more comparisons before a final decision is made. He repeated his concern that he would not want the residents to think that the Council is trying to sneak something by them.

Weske noted that he had seen some numbers within his information that he would like to double check, so he would agree with the idea to table this item to a future meeting.

Mayor and Council were supportive of bringing the utility rate discussion item back to an upcoming meeting.

Updates and Discussion Regarding Fire Department Matters

Mayor Miner stated that there is an Open House scheduled on November 17, 2022 beginning at 6:30 pm at Calvin Presbyterian Church which is intended for residents and those served by the Long Lake Fire Department. As an additional update, the City had received notification from Fire Chief Van Eyll that he had tentatively accepted the position as Fire Chief for the City of Orono that would become effective December 30, 2022. He indicated that Fire Chief Van Eyll has served in his current position since 2008 and has done an excellent job for the Long Lake Fire Department. The Council has scheduled a special meeting for November 22, 2022 to discuss filling the Fire Chief position.

Council member Kvale asked if she could see the fire service contract with Minnetonka Beach because she did not think she had seen it before.

Mayor Miner asked staff to send copies of the various contracts to the Council.

The Council expressed their appreciation to Fire Chief Van Eyll for his years of service to the City.

Mayor Miner noted that the Open House presentation will be filmed by Lake Minnetonka Communications Commission and will be available for online viewing for those that are unable to attend. He added that those individuals will be welcome to send in emails with their comments and feedback on the situation.

Moeller mentioned that Calvin Presbyterian Church is scheduled to host a community meal the same night as the Open House from 5:30 pm to 6:30 pm. She had been advised that usually only about 30 people attend the meal and noted that meal volunteers would all be aware of the Open House, so there should not be any issues with the City coming in and getting things set up that night.

Council member Kvale expressed concern about being able to get the slide deck completed and updated prior to the Open House. Council member Joyce agreed that she was also a bit concerned.

Council member Kvale questioned how the Council was supposed to work on the presentation and emphasized that she thinks the focus should be on the City's journey to find what is the future for Long Lake fire services rather than focusing on past events or what various people said during the negotiations. She added that she thinks that conversation can be shared as part of the journey, but thinks the main focus should be on getting an understanding of what the City's options are moving forward.

Mayor Miner indicated that there will be some communication tomorrow among the Council about completion of the slide deck.

The Council discussed logistics of microphones, camera locations for recording, and the meeting room.

OTHER BUSINESS

Lunch Meeting with Congressman Phillips - Mayor Miner shared that he had lunch last week with Congressman Dean Phillips at Birch's on the Lake, and the Congressman had shared information with him about a possible funding source for local projects.

Holiday Tree Lighting Event Reminder – Council member Joyce reminded everyone that the Holiday Tree Lighting event will be held on December 2, 2022 from 5:30 to 7:30 pm at Holbrook Park. She asked staff to help get the word out to the community.

LLFD Slow Burn Brigade Events – Fire Chief Van Eyll reported that the Slow Burn Brigade will be having their Annual Holiday Toy and Food Drive on December 3, 2022. He asked residents to bring an unwrapped toy and a nonperishable food item to donate. Santa will be there posing for pictures and there are more details available on the SBB's Facebook page. The Halloween event that they had hosted on October 29, 2022 generated about \$900 that will be donated to the City for the Fire Department to purchase equipment for the engine at Station 1.

ADJOURN

Hearing no objection, Mayor Miner adjourned the meeting by general consent at 8:03 pm.

Respectfully submitted,

Scott Weske
City Administrator